APPENDIX I.

[Vide answer to starred question No. 3427 asked by Dr. K. B. Menon at the meeting of the Legislative Assembly held on 16th March 1956, page 3 supra.]

(a) 24

(b) 77

(c) In the case of liquidated societies $7\frac{1}{2}$ per cent of the assets collected is credited to Government towards liquidation charges and no overhead charges are collected from these societies.

Overhead charges are collected only in the case of living societies whose accounts are audited under Fundamental Rule 127. There are no such auditors for Producers'-*cum*-Consumers' Co-operative Societies.

(d) Societies are liquidated only when all efforts to reorganize them into normal types of societies fail. When the order of cancellation is passed, it will take effect only on the expiry of two months from the date of the order if no appeal is preferred within that period with reference to section 44 (3) of the Madras Co-operative Societies Act, 1932. After taking charge of the records of the society, the liquidator has to collect the assets under various heads, pay off the liabilities and arrange for the final closing of the societies.

As regards the delay in conversion, the general body of the respective societies has to meet to take decisions regarding the conversion and approve necessary by-laws (enbloc) before the proposals are sent to the Registrar of Co-operative Societies. Any modification to the by-laws suggested by him, necessitates the general body to meet again and approve the modification before the by-laws are registered. Large membership, vast area and local factions which are the characteristic features of the Producers'-*cum*-Consumers' Co-operative Societies in Malabar, retard the progress of quick conversion to some extent—vide also answer to clause (c) of starred question No. 3428.